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PURCHASE CARD
USER GUIDE

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UNIVERSITY

Contents

1.	Why do we use Purchase Cards?	4
2.	When should you use your Purchase Card?	4
3.	Inappropriate use of your Purchase Card	5
4.	Authorisation Process	5
5.	Card Management	6
6.	Placing an Order	7
7.	Resolving Issues	8
8.	Changes to Purchase Card Roles	9
9.	Misuse of the Purchase Card	9
10.	Contact Details	9
11.	Terms and Conditions	10
12.	Processing the Monthly Purchase Card Statement	10
13.	Guidance on Processing a Purchase Card Statement	11
14.	Cardholder Agreement and Rules of Issue	23

Introduction to your Purchase Card

This guide has been produced by Procurement Services, Finance Department to ensure that all Purchase Card Users understand the rules and regulations governing the use of Purchase Cards.

Purchase Cards operate in a similar way to credit cards and are used by selected staff to purchase supplies and services on behalf of the University.

Purchase Cards MUST be used properly and kept in a secure place at all times.
The Purchase Card is a VISA card provided by Barclays Bank (Barclaycard).

Each Purchase Card has an authorised individual transaction limit, overall monthly limit and predetermined merchant categories agreed by Procurement Services.

The card can be used for purchasing from nominated suppliers in line with the University's Financial Regulations.

1. Why do we use Purchase Cards?

Purchase Cards are most suitable for high volume, low value transactions (e.g. less than £1000) where the goods or services can be easily defined. In the case of many low value items, the cost of the purchase, requisitioning, obtaining quotes, issuing purchase orders and processing invoices outweighs the value of the items purchased.

The main benefit of Purchase Cards is that they reduce the traditional activities associated with the ordering process, in particular the number of invoices that need to be matched to the purchase order.

In addition to this Purchase Cards can provide the University with the following benefits:

- Reduces the need for petty cash accounts
- Improved convenience and less paperwork
- Visibility of transactions and accountability of cardholders
- More management information and control
- Improved supplier relations as payment is released quickly by Barclaycard
- Procurement process efficiencies

2. When should you use your Purchase Card?

You should use your Purchase Card when the value of the order is below £1000

3. Inappropriate use of your Purchase Card

Blocked Merchant Categories

Purchases may be made within most merchant categories with the exception of the following which are blocked at application stage by Procurement Services, Finance:-

- Staff Temporary Recruitment
- Vehicles, Servicing and Spares
- Restaurants and Bars
- Cash (ATM and Branch)

The above categories may be opened temporarily at a later stage if required by a School or Service and valid justification is provided. This does not however apply to the cash category which is never opened.

You must not use your Purchase Card for:

- Personal Purchases
- Cash Withdrawals
- Staff Travel and Accommodation (should be booked via Jesmond Travel Bureau)
- IT Equipment – please contact IT services
- Payment of Invoices
- Purchase of goods or services available internally – i.e. printing, catering, advertising
- Direct Debits – these should be set up via the University's bank account
- To purchase off contract- see website for details of prearranged contracts
- Over the counter transactions in retail outlets

4. Authorisation Process

A requisition MUST be raised in the normal way prior to making any purchases on the Purchase Card. All requisitions MUST be authorised prior to placing the order with the supplier in accordance with the University's Financial Regulations.

Procurement Services will carry out random checks to ensure that appropriate authorisation has been gained prior to making a purchase. Upon request cardholders will be required to provide copies of requisitions to Procurement Services.

5. Card Management

Controls

Each Cardholder will be given a monthly credit limit and an individual transactional limit. Cardholders must not split their transactional limit in order to by-pass the purchasing procedures.

Card Usage will be monitored on a monthly basis and evidence of misuse or abuse will be reported to the Procurement Manager who will determine the appropriate action in accordance with the Financial Regulations. Continual misuse or abuse will result in your card being withdrawn, as detailed in section 14 Cardholder Agreement and Rules of Issue.

Upon expiry of your card Procurement Services will advise whether a replacement is required dependent upon your usage.

Temporary Adjustments

Procurement Services will make a temporary adjustment to the transactional limit or monthly card limit on receipt of request from the following:

Transactional Limit

The cardholder must send a written request to Procurement Services requesting an increase in the transactional limit (up to £2000) and advising of the reason. If the request is to increase in excess of £2000, authorisation will be at the discretion of Procurement Services, further to reviewing the requirement.

All requests for the above will be for a 24 hour period only

Monthly Credit Limit

A written request must be received from the Principal or Designated Budget Holder prior to raising the Card Limit, with justification for the requirement.

Please note that this action is only possible where the overall University Limit is not reached.

Permanent Adjustments

Procurement Services will make a permanent adjustment on an individual card, on receipt of request from the Principal Budget Holder together with justification for the request.

6. Placing an Order

Telephone Orders

If you are buying over the phone, use your card as you would any other charge or credit card. Ensure that you take a note of any reference numbers quoted to you in respect of your order and payment, and check against the delivery note when it arrives with your requisition to make sure they match.

- Confirm pricing with supplier (inclusive of all charges vat/delivery etc)
- Confirm delivery requirements (estimated date of delivery – bearing in mind University opening times/access to departments)
- Confirm delivery details are established. (University site only – Not home delivery)
- Confirm Card details:
  Company Name
  Your name as displayed on card
  Card number (16 digits)
  Card Expiry date (mm/yy)
  Security code (last 3 digits on signature strip)
  Address to which card is registered - (Ellison Building, Newcastle upon Tyne, NE1 8ST)

Internet Orders

Only use secure internet sites. These can be identified by (HTTPS://) .

If you are given the option of using a secure checkout when paying for your purchase always select yes.

It is advisable to print off the details of online purchases to enable you to reconcile with the order upon its arrival, or to be able to contact the supplier should you need to do so.

Barclaycard Business continually monitors online transactions to protect the University from fraud.

7. Resolving Issues

Lost or Stolen Cards

In the event that your card is lost or stolen you must notify Procurement Services immediately. They will ensure that your current card is cancelled and will arrange for a replacement card to be issued as soon as possible.

Payment Declined

Cards can be declined for various reasons:

- Exceeding Monthly Credit Limit
- Exceeding Transactional Limit
- Using a Category that is blocked
- Random Fraudulent checks (carried out by Barclays)

In the event that your card is declined please contact a member of Procurement Services for advice.

Missing Transactions

Any purchases made prior to the statement date (5th/6th of the month) will show on the following month's statement. If any transactions do not appear please contact the relevant supplier.

Incorrect or Faulty Goods

If you receive incorrect or faulty goods please contact the supplier to request replacement goods/or a refund to your card account. If you are unable to resolve the issue yourself please contact Procurement Services.

Missing Goods

If there are goods listed on your statement that you have not received:

- First contact the supplier to attempt to resolve the issue
- Ask the supplier to provide Proof of Delivery
- If you are unable to resolve the issue yourself please contact Procurement Services who will investigate on your behalf.
- If necessary Barclaycard will progress transactions with the merchant and will credit any unproven transactions back to your card.
- If however after investigation by Barclaycard it becomes apparent that the transaction is a valid transaction an administration charge will be applied by Barclaycard.

Valid Receipts not received

It is the cardholder's responsibility to ensure that all purchases have corresponding vat receipts. In the event that you do not receive a valid receipt please contact the supplier.

8. Changes to Purchase Card Roles

If you leave the University, change job roles or have a temporary leave of absence i.e. maternity leave please contact Procurement Services. It is the cardholder's responsibility to ensure that any changes are notified.

Updating Cardholder details

Please contact Procurement Services with details of any changes to Cardholder details.

9. Misuse of the Purchase Card

The Purchase Card must not be used by anyone other than the cardholder. It is the cardholder's responsibility to ensure that their card details are kept securely at all times. Failure to comply with this, will result in the card being withdrawn.

10. Contact Details

Procurement Services 0191 227 4334
fipurchasing@airport.unn.ac.uk

Room 0001, Lower Ground Floor, Sutherland Building

Barclaycard UK: 0844 822 2125 *

International: +44 (0)1642 876 690

Opening hours:
Mon – Fri 8am – 8pm
Sat 8am – 6pm (excluding Bank holidays).
Lost & Stolen – Open 24 hours a day, 7 days a week.

*** Call charge information:**
Calls may be monitored or recorded to maintain high levels of security and quality of service.
For BT business customers, calls to 0844 numbers will cost no more than 5p per minute, minimum call charge 5.9p (current at September 2007). The price on non BT phone lines may be different.

11. Terms and Conditions

The University has selected Barclaycard from a Government Framework. For further information regarding the terms and conditions please contact Procurement Services.

12. Processing the Monthly Purchase Card Statement

Statement Period

The company card statement period runs from the 6th of the month until the 5th of the following month. It is important to ensure that this period is noted so that all paperwork correlates to the information on the final statement issued by Barclaycard. The electronic statement should arrive in your web cycle just after the 7th of each month, if this is not the case then please contact Procurement Services, who will ensure your details are correct. Please note if you have nil expenditure in a given period you will not receive a statement.

Statement Procedures

Check your Electronic Statement to ensure that it matches with your receipt.
You must process your statement within 10 working days of receipt of the e-mail notification. Cardholders who persistently fail to process their statement on time will have their cards suspended. If you are away on University business or on sick leave when the Card statement is due, you must make arrangements for the above actions to take place.

If any purchase made at the end of the billing period has not been included on the statement, retain the receipt for the next billing period.

Please ensure that the correct Cost Centre Code (and where applicable Internal Order Code) are entered. The General Ledger is assigned for you, if there are any variations you will have to make the change.

The VAT code on your electronic statement will be defaulted to VO (Vat Exempt), you do not need to change this unless you are charging a code which allows the University to reclaim VAT, in which case you should calculate the VAT applicable and change the code to V1 (recoverable VAT). You must ensure VAT receipts are retained for HMRC for V1 items. If you do not have a receipt you cannot reclaim the VAT.

You should then forward the electronic document to the approver for authorisation.
The approver is predetermined and you will not be required to enter their User name.

Please ensure all invoices, receipts and the requisitions are stored in a secure area. You are required to retain these documents for six financial years as well as the current year. Scanned copies are acceptable however you must scan all communication including terms and conditions

.

Role of the approver in the Purchase Card process

The role of the approver does not replace the authorisation process which must be carried out by the budget holder prior to goods being ordered.

The approver does not have to be a budget holder but they must be nominated by the Principal Budget Holder.

Their primary function is to ensure all items on the statement have been ordered on behalf of the University and authorised according to the University Financial Regulations.

The approver should also ensure wherever possible receipts for goods purchased have been obtained and retained for audit purposes.

Fraudulent Transactions

In the event that transactions appear on your statement which you do not recognise, you must contact Procurement Services immediately. Procurement Services will notify Barclaycard who will investigate the transaction. Your card will be cancelled and a replacement card issued as soon as possible.

Barclaycard will credit the University's account in the following billing period. However, in order to reconcile the accounts these transactions must still be processed in the normal way, by identifying the transaction in the description field as fraudulent. The following month when Barclaycard re-credit you should post the credits back against the same general account.

13. Guidance on Processing a Purchase Card Statement

SAP Users

STT Lesson

SAP Users can access an interactive simulation and training session by accessing the following web site http://briseus/SAP

The relevant lesson can be found within the Purchasing > Cockpit directory> How to Process a Purchase Card Workflow

Web Cycle Users

For purchase card users who process their statements via the web, graphical training documentation is attached.

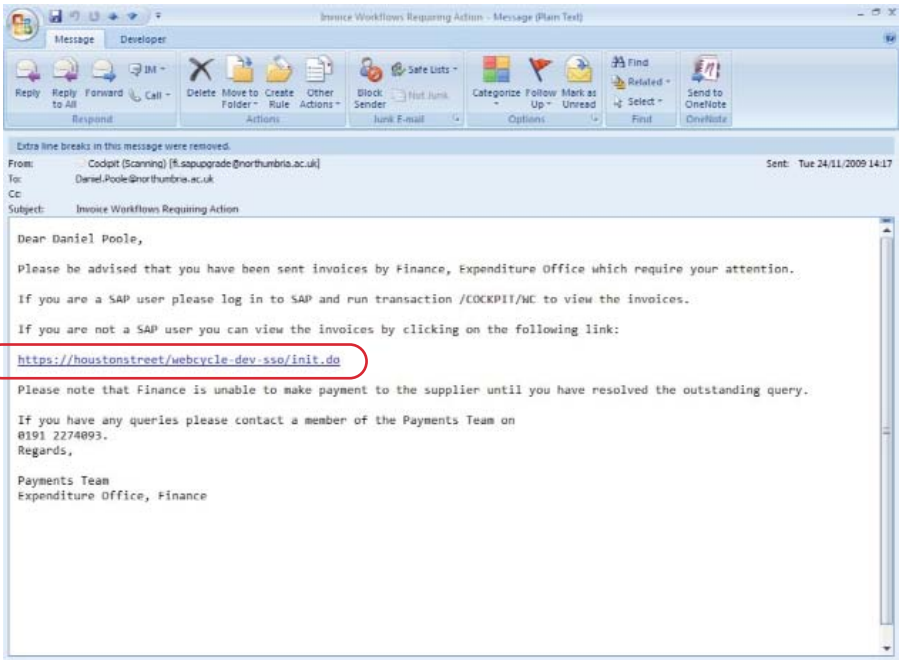
In all cases, if after accessing the training facilities given, you remain confused over any processes, you may request further training by logging a request via the IT Helpdesk.

There are also 'drop in' sessions offered by the SAP team, dates and times can be accessed via the following link:
http://www.northumbria.ac.uk/static/worddocuments/finword/saptrainingtimetablenew

Procedure

Notification Email

Once the purchase card statement has been forwarded , you will receive a notification email, click on the link to launch your inbox

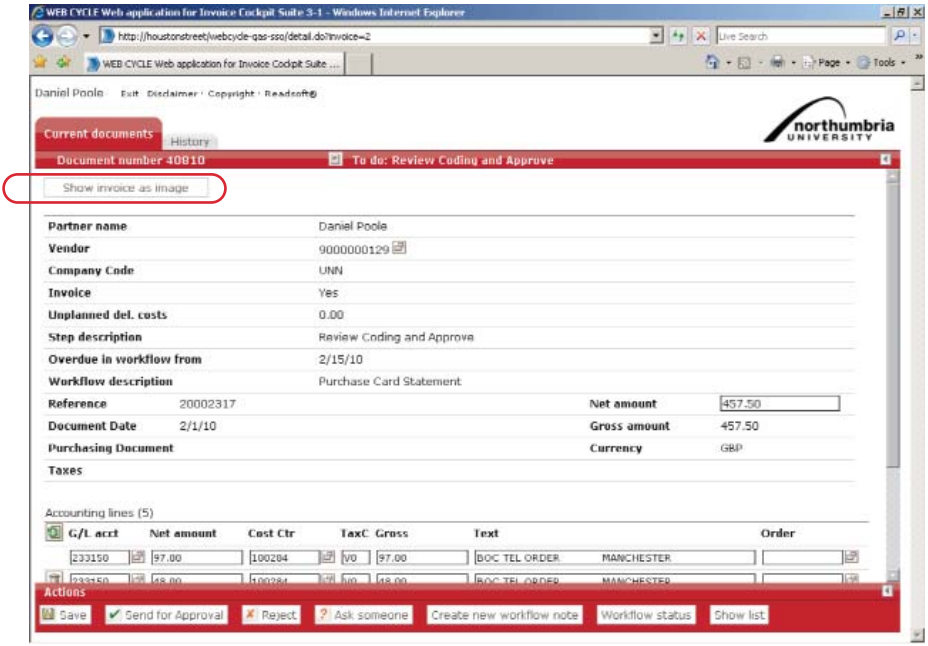


Tasks on this screen:

Step	Task	Image
1	Click the **Address** hyperlink	

Display Statement Image

Display the Statement Image

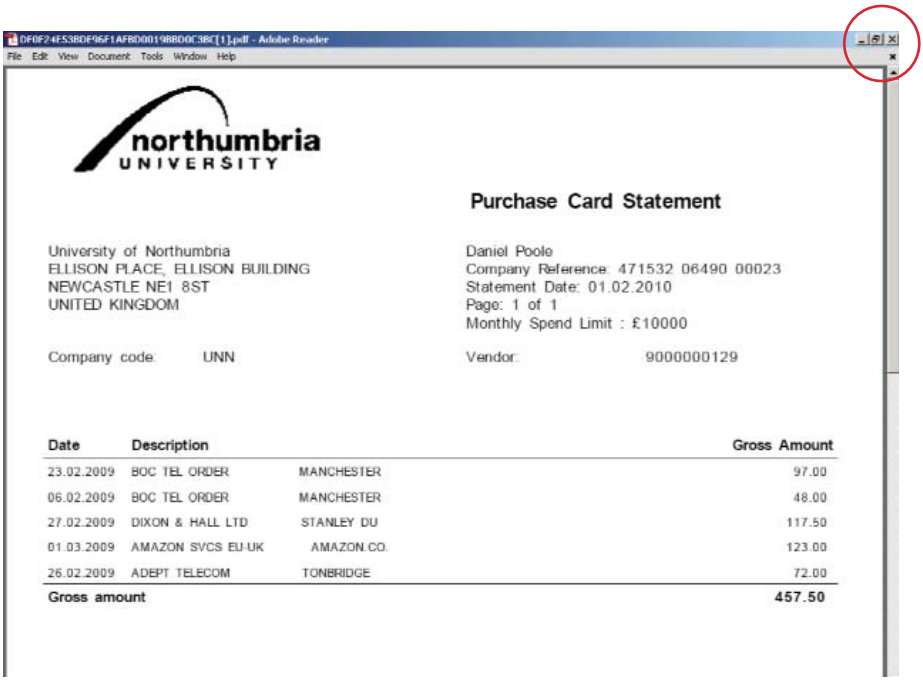


Tasks on this screen:

Step	Task	Image
1	Click the **Show invoice as image** button.	Show invoice as image

Invoice Image

Close the statement image

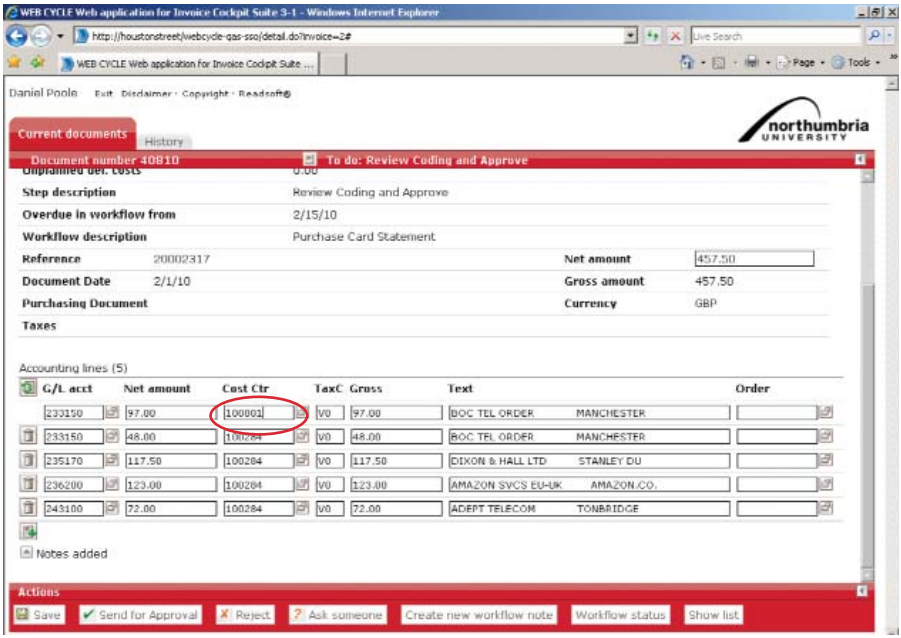


Tasks on this screen:

Step	Task	Image
1	Click the **Close** button.	

Amend the Cost Centre on a Line Item

You can amend the default cost centre. In this example, the cost centre on the first line is amended.



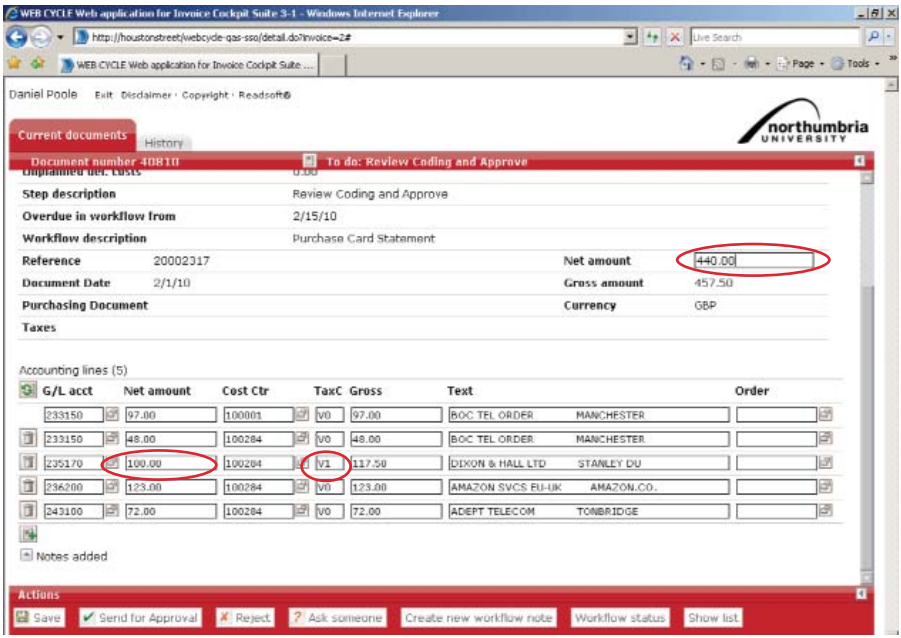
Tasks on this screen:

Step	Task	Image
1	Complete the **Cost Centre** field. (e.g. "100001")	ab

Change the VAT code on a line

If you are recovering VAT, and have a VAT receipt/invoice, then you can amend the tax codes on a line. In this example, a recoverable tax code is used on line item 3.

If any line item Net amounts are amended, then the total net value at the top right hand side of the page should also be amended



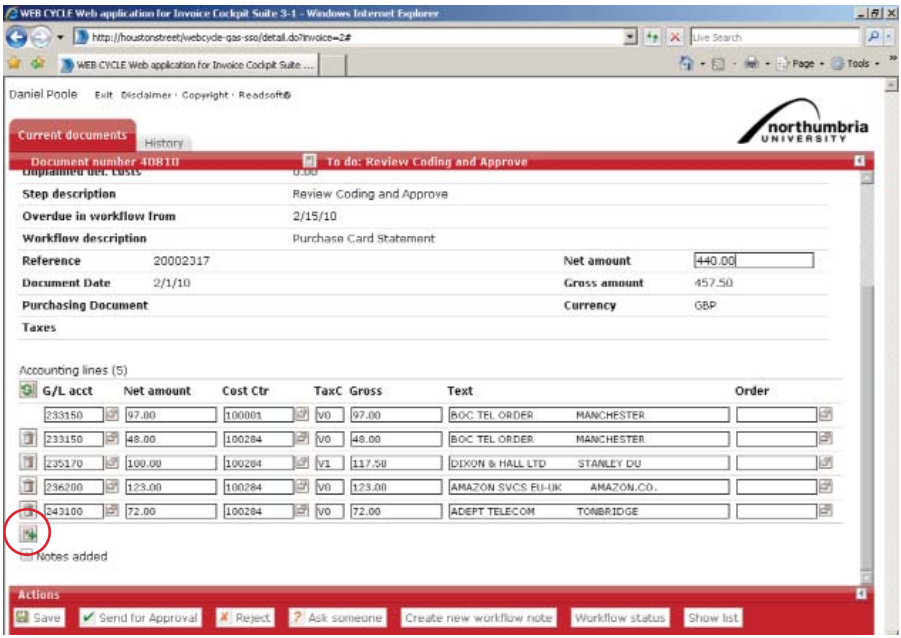
Tasks on this screen:

Step	Task	Image
1	Complete the **Net Amount** field. (e.g. "100.00")	ab
2	Complete the T**ax Code** field. (e.g. "V1")	ab
3	Complete the **Total Net Amount** field. (e.g. "440.00")	ab

Split a Line between two codes

It is also possible to add a line in order to split a purchase between multiple codes.

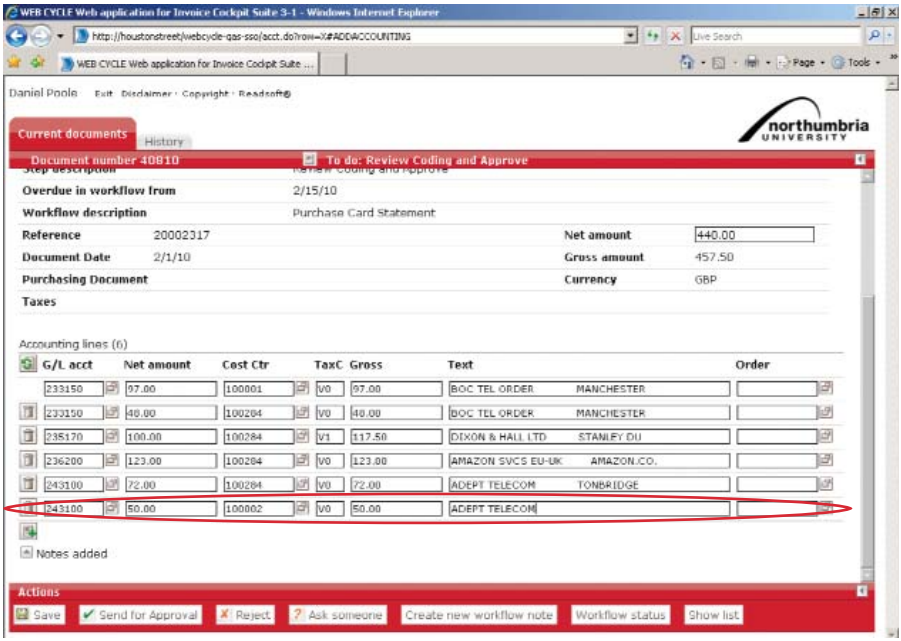
In this example, a line is added in order to split line 5 between two cost centres.



Tasks on this screen:

Step	Task	Image
1	Click the **Add Line** button.	

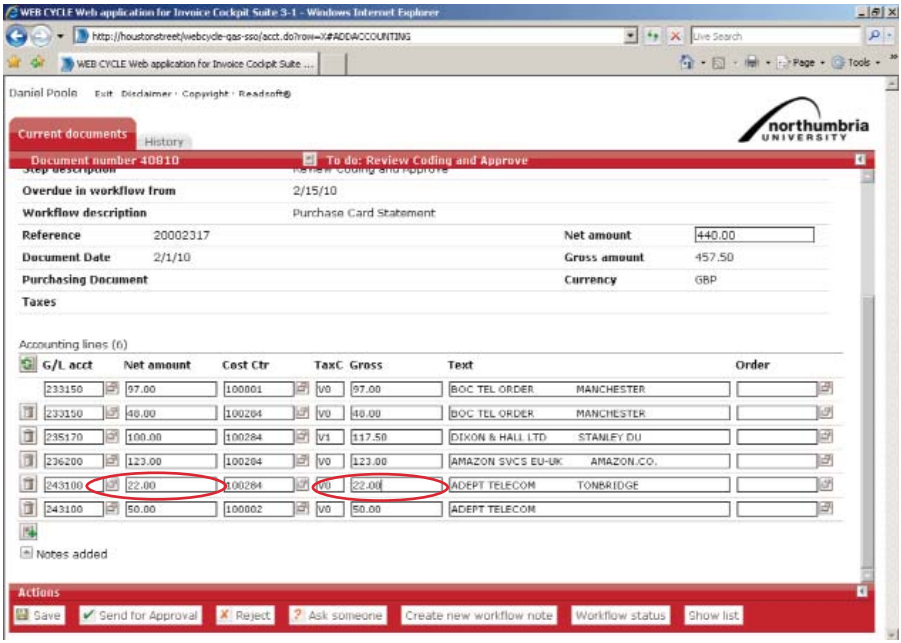
Split a Line between two codes


WEB CYCLE Web application for Invoice Cockpit Suite 3-1 - Windows Internet Explorer
Daniel Poole
Current documents
History
northumbria UNIVERSITY
Document number 40810
To do: Review Coding and Approve
Overdue in workflow from 2/15/10
Workflow description Purchase Card Statement
Reference 20002317
Document Date 2/1/10
Purchasing Document
Taxes
Net amount 440.00
Gross amount 457.50
Currency GBP
Accounting lines (6)
G/L acct | Net amount | Cost Ctr | TaxC | Gross | Text | Order
233150 | 97.00 | 100001 | V0 | 97.00 | BOC TEL ORDER MANCHESTER
233150 | 40.00 | 100204 | V0 | 40.00 | BOC TEL ORDER MANCHESTER
235170 | 100.00 | 100284 | V1 | 117.50 | DIXON & HALL LTD STANLEY DU
236200 | 123.00 | 100284 | V0 | 123.00 | AMAZON SVCS EU-UK AMAZON.CO.
243100 | 72.00 | 100284 | V0 | 72.00 | ADEPT TELECOM TONBRIDGE
243100 | 50.00 | 100002 | V0 | 50.00 | ADEPT TELECOM
Notes added
Actions
Save
Send for Approval
Reject
Ask someone
Create new workflow note
Workflow status
Show list

Tasks on this screen:

Step	Task	Image
1	Complete the **G/L acct** field. (e.g. "243100")	
2	Complete the **Net amount** field. (e.g. "50.00")	
3	Complete the **Cost Centre** field. (e.g. "100002")	
4	Complete the **Tax Code** field. (e.g. "V0")	
5	Complete the **Gross Amount** field. (e.g. "50.00")	
6	Complete the **Text** field. (e.g. "ADEPT TELECOM")	

Split a Line between two codes


WEB CYCLE Web application for Invoice Cockpit Suite 3-1 - Windows Internet Explorer
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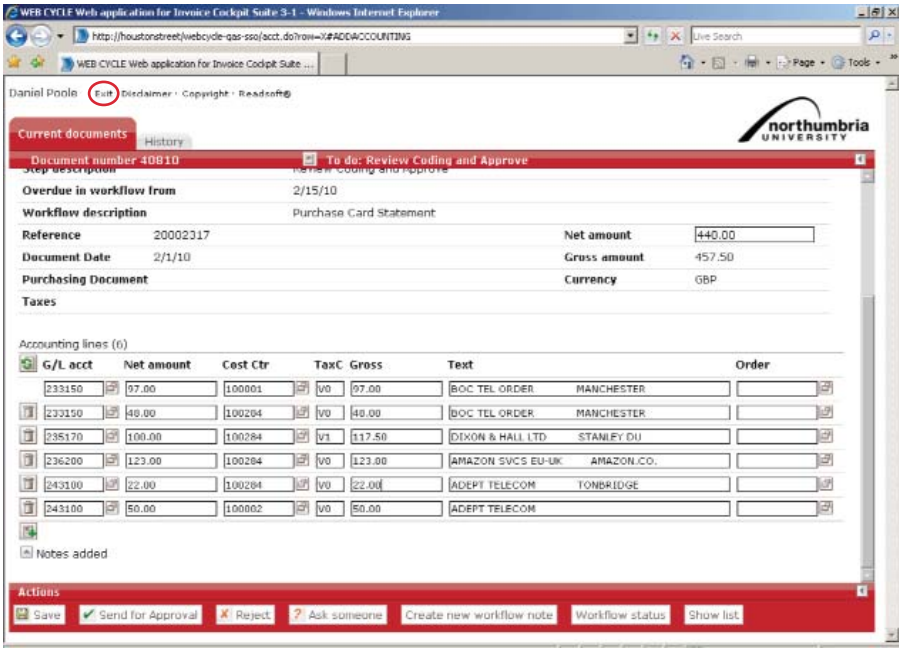
Current documents
History
northumbria UNIVERSITY
Document number 40810
To do: Review Coding and Approve
Overdue in workflow from 2/15/10
Workflow description Purchase Card Statement
Reference 20002317
Document Date 2/1/10
Purchasing Document
Taxes
Net amount 440.00
Gross amount 457.50
Currency GBP
Accounting lines (6)
G/L acct | Net amount | Cost Ctr | TaxC | Gross | Text | Order
233150 | 97.00 | 100001 | V0 | 97.00 | BOC TEL ORDER MANCHESTER
233150 | 40.00 | 100284 | V0 | 40.00 | BOC TEL ORDER MANCHESTER
235170 | 100.00 | 100284 | V1 | 117.50 | DIXON & HALL LTD STANLEY DU
236200 | 123.00 | 100284 | V0 | 123.00 | AMAZON SVCS EU-UK AMAZON.CO.
243100 | 22.00 | 100284 | V0 | 22.00 | ADEPT TELECOM TONBRIDGE
243100 | 50.00 | 100002 | V0 | 50.00 | ADEPT TELECOM
Notes added
Actions
Save
Send for Approval
Reject
Ask someone
Create new workflow note
Workflow status
Show list

Tasks on this screen:

Step	Task	Image
1	Complete the **Net Amount** field. (e.g. "22.00")	ab
2	Complete the **Gross Amount** field. (e.g. "22.00")	ab

Send for Approval and Close the webpage



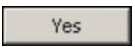
Tasks on this screen:

Step	Task	Image
1	Click the **Send for Approval** button.	✔ Send for Approval
2	Click the **Exit** button.	Exit

Close the webpage

Windows Internet Explorer
The webpage you are viewing is trying to close the window.
Do you want to close this window?
Yes
No

Tasks on this screen:

Step	Task	Image
1	Click the **Yes** button.	

14. Cardholder Agreement and Rules of Issue

The following statements and rules of issue are to be read carefully and signed by the cardholder.

Misuse or failure to comply with the rules of issue may result in your Purchase Card being withdrawn.

Duties of the Cardholder:

1. I understand that I am being entrusted with a Purchase Card and will be using the card to make financial transactions on behalf of the University.
2. To ensure that the University complies with tendering thresholds for categories of expenditure across the University as a whole, I will only use the card to make purchases from designated suppliers as identified by Procurement Services, unless there is no designated supplier for the category of expenditure concerned. If there is no designated supplier I may purchase items from non designated suppliers subject to obtaining the best possible price.
3. I understand that the University is liable to the card provider for all charges made on the Card.
4. I understand that a requisition must be raised and appropriately authorised prior to ordering any goods or services using my Purchase Card and that upon request copies of requisitions must be provided to Procurement Services.
5. I agree to use this card for appropriate University business purchases only and not to use the card for personal purchases.
6. I will follow the established procedures for the use of this card, which I have seen and understood.
7. I understand that all deliveries of items purchased using the card are to be made to University locations only and a named member of staff.
8. I understand that my nominated budget holder and Procurement Services will audit the use of this Card and will take appropriate action to recover any expenditure from me on purchases not made in accordance with these Rules of Issue.
9. I agree to surrender the Card to the Procurement Manager:
   (a) upon retirement, termination of my employment with the University or
   (b) upon the request of the Deputy Vice Chancellor and Finance Director.
10. I understand that any use of the card after authorisation for use is withdrawn is strictly forbidden.
11. In the event that the card is lost or stolen, I agree that I will notify Procurement Services immediately.

12. In particular, I understand that:

(a) The Card is not:

- to be used for personal purchases
- to be used by anyone other than the member of staff to whom it has been issued
- to be used to split transactional limits
- to be used to attempt to withdraw cash
- to be used for the purchase of IT equipment
- to be used for the purchase of goods or services available internally – i.e. printing, catering, advertising
- to be used for direct debits
- to be used for categories of expenditure where a University contracted supplier is in place

(b) The Card is only to be used:

- with suppliers who are Visa capable
- in accordance with the University's Financial Regulations
- for purchases within the transaction limits and expenditure limits set for the card
- within the merchant categories set for your card
- according to the procedures set out in the Purchase Card User Guide

As the holder of the Purchase Card, I confirm that I have read the Purchase Card User Guide and agree to comply with those conditions and with the terms and conditions set out in items 1 to 12 above regarding my use of the Card.

Name……..

School/Service ……

Signed……

Date……

I confirm that the above member of staff has attended a card handover session and has received a copy of the Purchase Card Information Pack.

Name…… **(Procurement Services)**

Signed……..

Date……..

281555G/03/10